



*The Commonwealth of Massachusetts
Commonwealth Health Insurance Connector Authority
One Ashburton Place, Room 805
Boston, MA 02108*

DEVAL PATRICK
Governor

TIM MURRAY
Lieutenant Governor

LESLIE KIRWAN
Board Chair

JON M. KINGSDALE
Executive Director

Board of the Commonwealth Health Insurance Connector Authority

Minutes

March 08, 2007

9:00 a.m. – 12:00 p.m.

One Ashburton Place

Boston, MA 02108

21st Floor Conference Room

Attendees: Leslie Kirwan, Jon Kingsdale, Rick Lord, Celia Weislo, Bruce Butler, Dolores Mitchell, Charles Joffe-Halpern, Jonathan Gruber, Louis Malzone, Tom Dehner, and Nonnie Burnes.

- I. **Welcome:** Sec. Kirwan welcomes Nonnie Burnes to the board and thanks Joseph Murphy for his help up to her appointment.
- II. **Minutes:** Chip Joffe-Halpern noted an inaccuracy in the minutes regarding a waitlist for MassHealth Essential. Minutes amended. Amended minutes approved by the board.
- III. **Executive Director's Report:** Jon Kingsdale reminded the board that there are only 7 weeks until the launch of Commonwealth Choice and there are three months of intense policy work ahead of the board. Mr. Kingsdale reviewed some of the important deadlines in the board calendar. The need was expressed to schedule a meeting between March 20th and April 12th. Mr. Kingsdale also reviewed some of the new Connector contracts. Ms. Mitchell requested that an updated board and staff contact list be sent to the board. Mr. Kingsdale asked that the board direct big question to him and try to be respectful of how busy staff is when sending them questions.
- IV. **Commonwealth Care Update:** Melissa Boudreault announced that Commonwealth Care was out of its implementation phase and thanked her team for all their hard work. As of March 1 there were 52,045 members enrolled in Commonwealth Care. 47, 859 are in Plan Type I and 4,186 are in Plan Type II, III, or IV. One encouraging fact is that members are thinking hard about whether to choose Plan Type III or IV. The call center remains the preferred way to enroll, with web enrollment between 5 and 6%. After March staff hopes to begin tracking why potential members decided not to pay their enrollee contribution. Mr. Kingsdale expressed his gratitude to the Commonwealth Care team and celebrated their success at decreasing the number of uninsured in Massachusetts. Ms. Boudreault reminded the board that once marketing for Commonwealth Choice gets underway confusions between the two programs will decrease. Also, both the Connector office and the call center will be able to transfer people to the appropriate program.

- V. **Seal of Approval:** Sec. Kirwan thanked her colleagues on the board, Connector staff, and any in attendance that helped in this process. Mr. Kingsdale thanked Bob Carey who led this RFR. Mr. Carey presented to the board the staff recommendations for Seal of Approval. Many other state agencies, in particular, the Division of Insurance, were in integral in this process. Mr. Carey reviewed the criteria for scoring the 10 submitted proposals. Throughout this process the Connector tried to make sure people in Massachusetts would have greater choice. Plans submitted three levels; premier, value, and basic, as well as a young adults plan. Sec. Kirwan commented on the outstanding results of this RFR. Ms. Wcislo was impressed by the plans responses, but also wanted to make sure that the Connector completely educated their population on what their insurance product will actually get them. A discussion ensued around generic prescriptions being less expensive than some co-pays, the possibility of broad choice producing confusion, and the financial consequences of these plans. Sec. Kirwan read the proposed resolution for Seal of Approval. Mr. Malzone moved to accept the resolution, Mr. Joffe-Halpern seconded. All approved.
- VI. **Commonwealth Choice:** The board watched a compilation of video clips from the focus groups highlighting what real people thought about insurance. Kevin Counihan reviewed how Commonwealth Choice would actually work using a hypothetical employer's "benchmark" plan. Ms. Wcislo felt the Connector should try to keep the shopping experience as simple as possible. Mr. Gruber asked if the board could view some of the decision support tools as they are developed.
- Ms. Day went through the Commonwealth Choice readiness report with the board. Connector staff is working very hard towards the Commonwealth Choice "go live" date of May 1. She was very confident in the group assembled to manage Choice and their commitment to delivering a great consumer experience.
- VII. **Sec. 125 Regulations:** Jamie Katz spoke with the board regarding the drafting of sec. 125 regulations and the schedule of their enactment. The Connector has received comments from many interested parties and worked to coordinate the regulations with other important state agencies. The goal was to keep the regulations as simple and manageable as possible. Administrative bulletins will also be used to provide further guidance and clarification. The main areas of revision were section 4.06 about which employers must implement section 125 plans and 4.07 about the Connector requirements for adopting and maintaining a sec. 125 plan.
- VIII. **Broker Commissions:** Patrick Holland thanked the Massachusetts Association of Underwriters for their help in developing this schedule. Brokers represent an important Connector constituent group. Generally broker fees paid by intermediaries were \$10.00 per subscriber per month. Mr. Holland recommended that the Connector also use this rate. Mr. Malzone moved to accept the commission schedule, Mr. Butler seconded. All approved.
- IX. **Other:** Mr. Joffe-Halpern alerted the board to a full page ad that ran in the Greenfield Recorder on Health Care Reform. There being no further business for the board, the meeting was adjourned.

Respectfully Submitted,
Kerry Connolly